

## **Barrington Committee on Appropriations**

### **Meeting Minutes**

April 12, 2016

#### **Opening**

The regular meeting of the Barrington Committee on Appropriations was called to order at 7:04 p.m. on April 12, 2016 in the Barrington Senior Center by Geoff Grove.

#### **Present**

Geoff Grove, Peter Dennehy, Melissa Horne, Richard Staples and Chad Mollica.

Also attending: Michael Messoro (Superintendent, Barrington Public Schools), Ronald Tarro (Director of Administration & Finance, Barrington Public Schools), Kate Brody (Chair, Barrington School Committee), Edwin McKinley, Lisa Daft, Kim Jacobs, Tom Rimoshytus, Joel Hellman and Tony Arico

#### **Approval of Agenda**

The agenda was unanimously approved as distributed.

#### **Approval of Minutes**

The minutes of the previous meeting were unanimously approved as distributed.

#### **Open Issues**

Geoff Grove announced that the only item on the agenda was to discuss and act on the school budget. He recognized that the budget had been cut by \$154,000 as a result in a reduction in transportation costs and suggested that the Committee start its considerations by reviewing the revised proposed operating budget and its impact on the tax rate.

Ron Tarro advised that the administration has suggested that costs could be cut by a reduction in bus monitors because the previous transportation schedule had required nine monitors to be on the buses for a longer period of time. The revised schedule calls for five additional buses and monitors at an approximate cost of \$265,000. Kate Brody stated that the School Committee has asked for additional information that may result from continuing discussions with the bus company. Ron Tarro confirmed that there may be opportunities for additional savings resulting from a more efficient schedule with fewer stops.

Peter Dennehy observed that the original budget requested additional funding for transportation due to the proposed change in school start times and asked why the revised budget continues to request additional money for transportation. Mike Messoro responded that the administration had started looking at concerns about the length of some bus routes more than a year ago. He characterized the school start time change as a separate issue but one that was necessarily related. He added that the findings of the administration's review was confirmed by survey results that showed that 147 out of 710 respondents drove their students to school because they considered the bus ride to be too long and another 190 respondents cited schedule conflicts as reason for driving their students to school. He also believes that it would be better from a health perspective to allow kids to get more sleep and that a revised schedule may result in less

congestion around the schools. He stated that there are two routes that are over-crowded, which discourages riders. An outside consultant hired to do a study of the transportation schedule concluded that the schedule was efficient but that there was room for improvement if there were more buses, regardless of the start time changes.

Geoff Grove asked what the administration's plan was if it turns out that the ridership percentages don't change despite the proposed changes in the schedule. Mike Messor responded that changes would be limited because a commitment must be made to the bus company. Ron Tarro added that they would have to consult with the bus company, Ocean State, to determine exactly what changes could be made. He added that this was the first year Barrington had contracted with Ocean State and that he thought they would be willing to work with the administration now that they had gotten through the first year.

Geoff Grove asked who provides the bus drivers and monitors. Ron Tarro responded that the monitors are Barrington School Department employees and the drivers are Ocean State employees, although that could change if the school start times change.

Chad Mollica asked how far one had to live from the school to take the bus. Ron Tarro explained that the distance is .75 miles for kindergarten through 5<sup>th</sup> grade and 2 miles for grades 6-12. Mr. Mollica inquired whether it would be possible to have middle and high school students walk to or otherwise convene at the nearest elementary school for bus transportation to their respective schools in order to cut down on bus stops. Mike Messor replied that this is the type of analysis involved in an efficiency review, which generally includes discussions about how the number of bus stops and other efficiencies are determined.

Richard Staples inquired about the types of contractual provisions included in the transportation contracts. Ron Tarro stated that the bus companies have certain requirements because they are required to invest in buses, but there are contractual provisions permitting a reduction in buses in certain circumstances, including a reduced population. Mr. Staples also asked whether there had been any consideration of utilizing smaller buses. Mr. Tarro replied that there had been some consideration of using 77 passenger buses rather than 82 passenger vehicles.

Kate Brody advised that the survey data had been very new when it was considered at the last School Committee meeting, so it would be revisited at the meeting to be held on May 14<sup>th</sup>.

Chad Mollica observed that it appeared that increased transportation costs were a lightning rod for opposition to the start time changes and asked whether keeping a portion of the increased cost in the budget was an attempt to front-load the budget in anticipation of implementing the start time change next year. Kate Brody said she understands the perception and had originally thought the increased costs should be removed from the proposed budget, but the survey results had changed her thinking.

Geoff Grove requested that the topic be changed to salaries for school personnel. He stated that salaries represent the largest part of the increase in the budget so it was necessary to discuss it. He noted that although a large portion of the population has not received salary increases in recent years, the salaries paid to public employees have consistently increased, requiring people

to make hard decisions in order to pay increased taxes. He added that the Appropriations Committee has no input on contract negotiations, even though it is left with the task of recommending a budget necessitating increased taxes. He suggested that a discussion should be required rather than merely concluding that everyone should get an increase. One of the questions that should be asked is whether salaries are in line with other communities in the state and region. Assuming three-year contracts, the Committee will be in the same position next year, facing the need to find money to satisfy increased salary requirements and finding it difficult to do so. For that reason, the issue of increasing salaries needs to be an issue that the School Department, the municipal side and the Committee work on together.

Chad Mollica stated that he had compared school expenditures with median home sale values in Barrington during the period 2006 through 2016. His conclusion was that the wealth of the community has not increased consistent with the increase in school expenditures. He observed that generations ago, public employees were not as well compensated as those in the private sector so the difference was made up in benefits. Now, however, public salaries are higher and the benefits are still better than in the private sector. He is concerned that the community may eventually withdraw its support for the schools because teacher compensation is out of whack. As an example, he distributed and discussed a spreadsheet comparing the benefits afforded by the contracts with School Department employees with those of nurses employed by Rhode Island Hospital. Ron Tarro stated that the School Department has been very focused on benefits, with a resultant decrease in benefits costs. Richard Staples stated that he believes there are different recruitment issues with nurses than teachers and that the better analysis would be comparing Barrington's teacher compensation rates to those in other communities. Chad Mollica acknowledged that great progress has been made with regard to benefits but more needs to be done, as Barrington's teacher salaries are among the highest. He explained that the point of his comparison is that private sector employers have been able to negotiate more favorable contracts than the School Department.

Geoff Grove raised the issue of privatizing janitorial services, noting that good reasons for not privatizing these services were given when this issue was discussed in the past but urging that this issue be considered again. Ron Tarro responded that the School Department reduced benefits costs significantly the last time the contract was negotiated and that other post-employment benefits were reduced. He cautioned that addressing compensation issues is a progressive process that requires a long-term view.

Chad Mollica asked whether pension contributions are being understated if benefits are 30% of the budget, adding that the pension contributions should reflect the true picture because it's a real number. Ron Tarro explained that the liability for unfunded pensions is based on a direction from the State as to what amount to pay even though it is not enough to fully fund the pensions. Mr. Mollica stated that he advocates setting aside money, perhaps by floating a bond, to fully fund the pension liability and then using that fund as a recruitment tool while maintaining level salaries in order to pay debt service.

Richard Staples inquired about the "professional services" line item. Ron Tarro explained that a large portion of the increase is for legal services, which are rendered by several different lawyers for different types of services.

Mr. Staples asked why there was an increase for web-based supplemental instruction. Mr. Tarro stated that it relates to instructional-based services.

Mr. Staples asked whether the increase requested for therapists was motivated by a particular trigger. Mr. Tarro explained that it could be for PT or OT services, perhaps because something was brought in-house that could result in a reduction in another line item, such as out of district services.

Peter Denehy observed that salary increases were projected to total \$767,000, partly due to step increases and partly due to contractual increases on a contract that had not yet been signed. He asked whether any changes were foreseen that might change the budget. Ron Tarro said he would like to be able to address that question but is unable to do so until the contract is signed. He believes, however, that the assumptions used in preparing the budget are accurate. He committed to putting any money that might be achieved through a reduction back on the table. He stated he probably will know the final number after school vacation.

Peter Denehy asked what the “other purchased services” line item includes. Ron Tarro responded that the majority of the services involve transportation, including in-district transportation, out-of-district tuition and transportation through state-wide transport.

Kate Brody related information she obtained at a recent conference. Other school districts are having big problems with teacher turn-over, including teachers leaving the profession, which leads to a need to make greater investments in recruitment and retention. Barrington is below the state average for per pupil expenditures but has a better retention rate because of various programs implemented by the School Department as well as compensation rates. She considers the budget to be a reflection of an advantageous strategic plan.

Richard Staples asked whether charter school payments had increased. Ron Tarro responded that twelve Barrington students attend charter schools, which actually is a small decrease. Mr. Staples also asked why there was an increase in private school tuition. Mr. Tarro explained that the School Department over-expended on tuition this year so it budgeted more for next year.

Geoff Grove invited comments regarding the projected increase in the school budget. He started the discussion by stating that he believes an increase of 1% of the FY16 budget, or \$500,000, is appropriate. He also asked whether there are any funds in reserve. Ron Tarro responded that the reserve is basically wiped out as a result of previously scheduled projects. Richard Staples stated that he would like to see a further decrease as a result of on-going negotiations but would be ok with the budget even if there is no reduction. Peter Denehy stated that he prefers to wait until all information is available before making a decision.

Geoff Grove turned the discussion to the capital budget. He confirmed that the cost of the playground improvements would be incorporated in the school budget because of the match available from the State. He also noted that the CIP had reduced the request for technology improvements from \$275,000 to \$240,000. Ron Tarro stated that the School Department needs \$150,000 for the next roll-out of devices to students plus 100 devices for teachers and

infrastructure upgrades. The \$245,000 appropriation recommended by the CIP falls short of the School Department's needs and causes him to worry about its ability to continue the planned implementation of Chromebooks.

Geoff Grove opened the floor to public comment. Lisa Daft stated that she has concerns about the timeline for finalization of the budget, given the need to file motions to reduce the budget thirty days before the Financial Town Meeting. Geoff Grove advised that the budget would be finalized by April 22, 2016. Dr. Daft also stated that she felt that the transportation survey improperly left out a question about whether respondents would take the bus if the routes were shorter. She feels that there has been insufficient data and discussion regarding the need for additional buses. Joel Hellman made a number of statements regarding teacher salary comparisons, per pupil expenditures, the potential to accept tuition-paying students on the school budget, and his concerns that any funds set aside to address the unfunded pension liability would somehow be taken by the State. Kim Jacobs stated that she believes the school department does an amazing job before addressing the transportation issue. She stated that busing needs to be addressed, perhaps through the creation of neighborhood hubs to reduce the number of stops and create efficiencies. She opined that there is a great opportunity to modify the routes to reduce time on the bus without adding buses. She suggested that the reorganization will be more palatable and subject to less pushback if it can be done without adding more buses, adding that it wouldn't be hard to accomplish such a goal if the involvement of volunteers and the Town Planner was requested. Tom Rimoshytus stated that he can't see the reason for leaving the increased transportation money in the budget if the evaluation of the routes hasn't been finished. He also clarified that the unfunded pension liability is addressed through contributions by teachers, the municipalities and the State. Tony Arico stated that he has faith the School Committee will work with the bus company but hopes that the Appropriations Committee will take \$265,000 out of the budget.

### **Adjournment**

Meeting was adjourned at 9:09 p.m. by Geoff Grove. The next general meeting will be at 7:00 p.m. on April 14, 2016 in the Barrington Senior Center Activity Room.

Minutes submitted by: Melissa Horne